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SUBJECT: KERALA COMMUNISTS FEAR LOSSES IN POSSIBLE PARLIAMENTARY
ELECTIONS

REF: CHENNAI 281

¶1. (SBU) SUMMARY: The ruling Communist Party of India (Marxist) (CPI(M)) and its allies in the southern Indian state of Kerala are apprehensive about possible parliamentary elections should India's Left Parties withdraw support from the ruling United Progressive Alliance (UPA) in New Delhi. The state's leftist coalition, led by the CPI(M), recognizes that it is unlikely to repeat the magic of its 2004 performance when the coalition won eighteen of the state's twenty parliamentary seats. Nonetheless, the state CPI(M) seems unwilling to pressure the national party to forestall parliamentary elections by cooling down its dispute with the UPA over the U.S.-India civil nuclear cooperation initiative. The state CPI(M) appears to be hoping that a strong anti-U.S. stand will lead to the long-term consolidation of Muslim votes, thus compensating for any loss of parliamentary seats in the short-term. END SUMMARY.

NOWHERE TO GO BUT DOWN

¶2. (SBU) Sixteen months after a landslide victory in the state assembly elections which brought the CPI(M)-led Left Democratic Front (LDF) to power, the LDF is rapidly losing popular support. Along with sweeping to power in the state government, the LDF took a remarkable eighteen of the state's twenty parliamentary seats in ¶2004. But it is unlikely they will be able to hold the parliamentary seats if the continuing dispute on the national level between the Left parties and the UPA over the U.S.-India civil nuclear cooperation initiative leads to early parliamentary elections. A journalist who covers Kerala politics told us "if they hold the Lok Sabha elections now, the CPI(M) would lose more than half the seats." Two members of the opposition Congress party noted that no government had become so unpopular so quickly in Kerala.

KERALA LEFTISTS IN DISARRAY AND CONSUMED BY INFIGHTING

¶3. (SBU) Media contacts said infighting within the CPI(M) has thrown the party into disarray. The Chief Minister, eighty-four year old stalwart V.S. Achuthanandan, is in the words of one businessman "a throwback" to the old-style communists. He fought his way to the Chief Ministership despite opposition from a more reform-minded faction in the CPI(M) led by the party's State Secretary Pinarayi Vijayan (reftel). The squabble has continued to

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this day and both sides are looking to the party's 2008 internal elections as a chance to take control once and for all.

¶4. (SBU) Our media contact said CPI(M) members feel the Chief Minister often undermines the party by acting without sufficient consultation. He pointed to the Chief Minister's recent "demolition drive," in which he personally helped tear down buildings whose owners had encroached on public land. He did so without first consulting his cabinet. As a result, both he and his cabinet

ministers were embarrassed when it came to be known that the CPI(M)'s own offices were among the offending buildings.

15. (SBU) Members of Achuthanandan's cabinet conceded that the party and the government are indeed facing challenges. Finance Minister Dr. Thomas Isaac admitted that the government had made a number of missteps. He cited the controversy surrounding the Indian Space Research Organization's (ISRO) purchase of private land which turned out to be in a protected ecologically sensitive area. The opposition Congress claimed that the CPI(M)'s Forests Minister improperly colluded with the estate owner to move the controversial deal forward. On the readiness of the CPI(M) to face parliamentary elections, Education Minister M.A. Baby, a Central Committee Member of the CPI(M), seemed resigned. He said: "Nobody would like an election at this point, but if an election is thrust upon us, we will face it."

INEXPERIENCED MINISTERS, SHIFTING POLICIES

16. (SBU) Business contacts were very critical of the government's performance in Kerala. They cited a lack of progress on infrastructure and failing schools as major drags on the state. Inexperience is a major problem, said one businessman, noting that most of the CPI(M) ministers, including the Chief Minister, have no prior experience in government. Chief Secretary Lizzie Jacob (the state's highest bureaucrat), who stepped down the day after we met her, commented that unlike the better performing neighboring southern Indian states, Kerala's coalitions are ideologically opposite to each other. As a result, she said, alternation of government results in wholesale policy changes on a regular basis. Business contacts agreed that the uncertain policy environment hampered economic development.

LEFT HAS AN EYE ON MUSLIM VOTES AND CONGRESS PLAYS CHINA CARD

17. (SBU) Although gleeful with the troubles facing the LDF, two Congress legislators we met did not seem eager to face elections at this time. They said the Left's campaign against the U.S.-India civil nuclear deal is directed at the state's substantial Muslim population. They worried that the level of resentment against U.S. policies in Iraq among Kerala's increasingly radical Muslim population could drive them to vote for the Left parties. The Congress legislators told us their party would stand to gain by delaying elections to allow opposition to U.S. policy to wane. One of the legislators said that the CPI(M) is helping advance China's interest in opposing the strategic partnership with the United States. When we noted that we have been hearing this charge with increasing frequency, one of the legislators acknowledged that the Congress party believes it is an effective weapon and is making a concerted effort to use it.

18. (SBU) COMMENT: The dominant tone of our conversations with members of Kerala's CPI(M) was resignation. The party, though dispirited, seems determined to continue down the path of conflict with the UPA over the U.S.-India civil nuclear initiative. They are clear-eyed in what that means in Kerala: early elections in which they know they will likely lose many of the eighteen parliamentary seats they won in 2004. But it appears that they are willing to suffer such losses to maintain their consistent opposition to the United States and through that opposition to possibly pick up votes among the state's Muslim population. END COMMENT.

19. (U) This message was coordinated with Embassy New Delhi.

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